



WISCONSIN

DEPARTMENT OF WORKFORCE DEVELOPMENT  
Division of Workforce Solutions  
Bureau of Workforce Programs

TO: **Economic Support Supervisors  
Economic Support Lead Workers  
Training Staff  
Child Care Coordinators  
W-2 Agencies**

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**BWP OPERATIONS MEMO**

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Non W-2 ☒ W-2 ☐ CC ☐

PRIORITY: HIGH

SUBJECT: **ELIMINATION OF ASSET TEST FOR AFDC-MA AND  
AFDC-RELATED MA**

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**CROSS REFERENCE:** *Medical Assistance Handbook*

**EFFECTIVE DATE:** October 1, 2001

**PURPOSE**

This memo informs local agency staff who determine and certify Medicaid (MA) eligibility for children under age 19, caretaker relatives (including parents) of children under age 19 and pregnant women that effective October 1, 2001, the asset test is being eliminated for AFDC-Medicaid and AFDC-related Medicaid.

**BACKGROUND**

As Wisconsin continues to remove barriers to accessing public health care coverage for eligible families and pregnant women, the Governor and the state legislature have eliminated the asset test for AFDC-MA and AFDC-Related MA. This policy change brings all of the categories of Family MA (BadgerCare, Healthy Start, MA Extensions, Continuously Eligible Newborns, AFDC-Related MA and AFDC-MA) into alignment on this policy. There is no longer an eligibility requirement to test assets for any of these categories of Family MA.

**NEW POLICY AND PROCESS**

Beginning October 1, 2001, for all Family MA applications, reviews and changes there is no longer a need for clients to:

1. Provide asset information, or
2. Verify asset information, or
3. Have their assets tested against an asset limit.

There is no change in the policy for Elderly, Blind, Disabled (EBD) MA. If an applicant's household includes an elderly, disabled or blind adult who wants his/her eligibility determined under EBD rules, continue:

1. To collect and verify asset information for the members of the EBD adult's fiscal test group (based upon participation status); and,
2. Compare the assets of the fiscal test group (based upon participation status) to the applicable EBD MA or Long-Term Care MA asset standards.

However, if the group also includes a child, a parent/caretaker relative or a regnant woman, do not hold up the Family MA or BadgerCare eligibility determination while waiting for asset information or verification from the EBD adult.

### **IMPLEMENTATION**

On September 24, 2001, the CARES reference table that includes the AFDC-MA and AFDC-related MA asset standards was updated. A DXBM was sent that informed users that the tables have been updated. These standards will all be changed to \$99,999.99 for the following assistance groups: MA R, MAOR, MA U, MAOU, and NAOR.

When the MA Purchase Plan and the Caretaker Supplement programs are automated in CARES on January 25, 2002, we will also be removing the asset test logic for all of the Family MA subprograms in CARES to automate this policy.

### **PROCESS**

We expect that regardless of the assets that have already been entered for open Family MA cases that all AFDC-MA and AFDC-related MA cases will pass the asset tests. However, if an eligibility worker encounters a case in which a Family MA subprogram fails because of an asset-related reason (providing asset information (113 failure/F entry), verifying assets (112 failure/NV entry) or over the asset limit), the worker must override the denial and run SFED/X. If a Family MA subprogram fails for an asset-related reason and there is a 'Y' on ACPA for any other program, override the CARES denial for Family MA and allow the correct denial notice to be generated for the other program.

Workers do not need to identify or re-run eligibility for BadgerCare and Healthy Start cases that originally failed AFDC-MA or AFDC-related MA for an asset-related reason. These individuals and families are receiving the same MA services and their benefits are paid for at the same federal reimbursement rate. We understand that making individuals eligible for AFDC-MA could also affect whether they are going to qualify for a MA extension with an increase in their earnings or their employment hours, however with BadgerCare and Healthy Start available few, if any, individuals will be disadvantaged.

If you become aware of one of the following cases, run with dates back to October 1, 2001:

1. A case in which eligibility was run in September 2001 for the month of October 2001 and failed only for asset-related reason, run eligibility with dates back to October 1, 2001.
2. A case in which someone was ineligible for AFDC-MA or AFDC-related MA solely due to an asset-related reason and they were not determined eligible for any other category of MA or BadgerCare.

**APPLICATION FORMS – FAMILY MEDICAID**

Disregard asset information on any application form that a person is using to apply only for Family MA. If the application form is also an application for another program, process the application at the time of the face-to-face interview. If at some point, the client either misses the face-to-face interview (required by the other program) or changes their mind about applying for any other program than Family MA, process Family MA directly from the information on the application form. Require the client to sign a Voluntarily Declining Aid (DES-2233) form, if they are no longer requesting a program that requires a face-to-face.

**NOTE:** If a Family-MA-only recipient later applies for FS, a face-to-face interview is required and all appropriate asset information must be gathered and verified to correctly determine FS eligibility.

**CONTACT**

DES CARES Information and Problem Resolution Center

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**Note:** Email contacts are preferred. Thank you.